

**SECRET****OGC HAS REVIEWED.**

12 December 1950

*File  
H/V*

MEMORANDUM FOR: DEPUTY DIRECTOR

SUBJECT: [REDACTED]

STATOTHR

1. Section 62 of Title 5 of the U. S. Code flatly prohibits any person holding an office which is paid \$2,500.00 from being appointed to or holding any other office to which compensation is attached. Retired officers are considered as holding such an office unless they are retired for permanent injuries or incapacity occurring in the line of duty. This prohibition would apply to the appointment of [REDACTED] to a civilian position in this Agency.

STATOTHR

2. As you will recall, I discussed with the General Counsel to the Comptroller General whether the wide powers of our Act overcame this prohibition. He had the matter studied and answered in the negative, suggesting legislative relief. This, as you know, we are expecting in the next session of Congress or earlier if we can obtain a rider on the Appropriation Bill now under study. Meanwhile, prohibition to the appointment stands and runs against the individual. Thus, if the illegal appointment were actually carried out, no penalty would attach to the Agency but recovery back from the individual for amounts improperly paid would be required.

STATOTHR

[REDACTED]

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LAWRENCE R. HOUSTON  
General Counsel

STATOTHR

[REDACTED]

**SECRET**